

Developmental Disabilities Council
Reading Cover Page

Date: November 18, 2004

Meeting: Self-Determination & Employment

Reading Number: 04 SD-17

Issue: DVR Budget Decision Packages

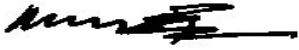
Background/Summary:

DVR has submitted 3 Budget Decision Packages to the Office of Financial Management (OFM). OFM is considering these requests for funding as part of the development of the Governor's Budget. The Governor's budget will come out in December and the Legislature will be working on both a Senate and House version of a Budget during the Legislative Session starting in January. Connee Bush from DVR will be talking about the 3 DVR Budget Decision Packages at the November workgroup meeting.

Items included in the reading: DVR Decision Packages
Fact sheets

Action: Review for discussion

Focus Question(s): If there are any questions, please contact Clare Billings at 1-800-634-4473, clareb@cted.wa.gov



The Division of Vocational Rehabilitation (DVR) provides employment services to individuals with disabilities.

Serving Youth with Disabilities transitioning from school to work

Mike O'Brien, Director

The Rehabilitation Amendments of 1992 were intended to provide easier access for youth with disabilities **transitioning from school to work** and bring together rehabilitation and educational services. US Senate Report 102-357 specifically says ".....**to ensure that all youths with disabilities who require VR services receive those services in a timely manner....There should be no gap in services between the education system and the VR system.** Thus an individual's Individualized Plan for Employment should be completed before the individual leaves the school system....."

Over 20,000 youths enrolled in special education or eligible under Section 504 of the Rehab Act will turn 18 over the next three years.

High School Transition Services

Through DVR partnerships with school districts across the state, youth with disabilities plan their transition from school to adult life, including work. A VR counselor typically becomes involved during the student's third year of high school (age 16) to begin planning the student's next steps after high school. High school youths with disabilities need a solid plan in place when they leave high school that connects them with a DVR counselor. **Over the past several years, around 20% of the population DVR served was transition students.**

Preparing to enter the workforce has been identified as a major developmental task of adolescence (Havighurst, 1982). In early adolescence, youths begin to examine the societal roles they see around them, roles they will soon assume as they finish high school. Research in vocational rehabilitation indicates that the earlier youths with disabilities become connected with the VR process, the more likely they are to succeed in their chosen careers. Elliott (1993) points out that the successful transition into adult roles (i.e., work, marriage, parenting) appears to help reduce involvement in delinquent behaviors.

CSAVR (the Council of State Administrators of Vocational Rehabilitation) reports that:

- One third of students with disabilities don't finish high school.
- One out of 5 adults with disabilities did not graduate from high school, as compared to less than 1 out of 10 adults without disabilities.
- Youths with severe emotional disturbances (58%) and learning disabilities (36%) have the highest dropout rates of all disability groups.

**Approximately 20% of the Population
DVR Serves are
Transition Students**

Serving Youth with Disabilities transitioning from school to work

Federally Determined Waiting Lists.

DVR does not have sufficient resources to serve all eligible individuals who apply for services. When this occurs, as it did in FY 2001, the public VR program must establish an order for serving eligible individuals with disabilities and must serve

Priority Category 1, those with the most significant disabilities, first.

As a result, DVR counselor caseloads primarily consist of individuals who face the greatest challenges to work, require a larger investment of resources, and on average, take longer to enter the workforce, **leaving no resources to serve other eligible individuals.**

As of August 2004, there were 1,311 youths on the waiting list for Priority Category 2 and Priority Category 3. Many have been waiting for VR services since the division began serving people under the federally defined waiting list in November 2000.

This means that hundreds of Washington States' youths with disabilities, eligible for VR services, find themselves disenfranchised and un-served.

By Definition Individuals in;

Priority category 1 have a physical or mental impairment that results in serious limitations in 4 or more functional areas, require substantial VR services over an extended period.

Priority category 2 physical or mental impairments, experience limitations in 1 or more functional areas, require multiple VR services.

Priority category 3 condition creating substantial impediment to employment, but do not meet the criteria of category 1 or 2.

How do we reach these un-served youths?

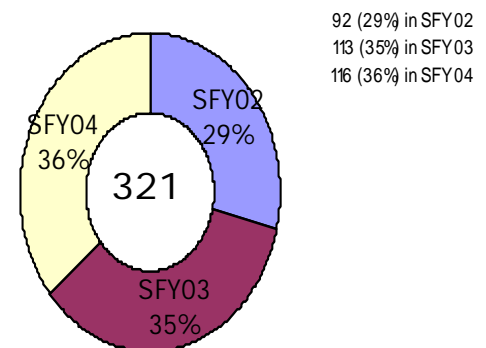
Currently, Federal funding levels are not keeping pace with the rising costs to provide VR services this, and the cost required to serve Priority Category 1 individuals, decreases the numbers of priority category 2 and 3 individuals DVR can serve.

Solutions: General Fund State Dollars.

The majority of individuals in Priority Category 2 and 3 will never be served unless DVR obtains general fund state dollars. General fund state dollars will allow DVR to operate outside the federally determined waiting list and provide these Washington Citizens with much needed services.

Additional fiscal resources would ensure that the division can more effectively prepare and serve youths with disabilities as they become ready to leave the secondary school system and plan for a productive, fulfilling career future as independent members of our society.

DVR Youth Rehabs



Contact

CHIEF OF OPERATIONS
Connée Bush, PhD
360.438.8013

The Division of Vocational Rehabilitation (DVR) provides employment services to individuals with disabilities.

Growing Waiting Lists for Services

Mike O'Brien, Director



disabilities of working age (18.1% of all working-age individuals) and by 2010, 763,180. Many will be

In 2005 it is projected that there will be 705,774 individuals with

eligible to receive employment services from the Division of Vocational Rehabilitation. More than 12,000 individuals apply for services with DVR every year. The division can serve only a fraction of these people

Federally Determined Waiting Lists.

DVR does not have sufficient resources to serve all eligible individuals who apply for services. When this occurs, as it did in FY 2001, the public VR program must establish an order for serving eligible individuals with disabilities and must serve

Priority Category 1, those with the most significant disabilities, first.

As a result, DVR counselor caseloads primarily consist of individuals who face the greatest challenges to work, require a larger investment of resources, and on average, take longer to enter the workforce, **leaving no resources to serve other eligible individuals.**

As of August 2004, there were 8,729 people on the waiting list for Priority Category 2 and 1,018 for Priority Category 3. Many have been waiting for VR services since the division began serving people under the federally defined waiting list in November 2000. With current resources, the waiting list is projected to grow to 16,000 over the next biennium. **With no other options for services, people lose motivation to work, become discouraged and often drop out of sight.**

By Definition Individuals in;

Priority category 1 have a physical or mental impairment that results in serious limitations in 4 or more functional areas, require substantial VR services over an extended period.

Priority category 2 physical or mental impairments, experience limitations in 1 or more functional areas, require multiple VR services.

Priority category 3 condition creating substantial impediments to employment, but do not meet the criteria of category 1 or 2.

This means that thousands of Washington states' citizens with disabilities, eligible for VR services, find themselves disenfranchised and un-served.

Higher Success Rates/Lower Costs.

As defined by federal law, people in Priority Categories 2 and 3 have less significant disabilities, but they face the same barriers to employment faced by those with more significant disabilities. However, overall, they require fewer services for shorter time periods.

Obtaining or Regaining Employment: 1,174 people on the priority category 2 and 3 waiting lists report having either received some post-secondary education or have earned a GED certificate and 1,832 reported no restrictions or limitation for transportation. Many have a substantial work history. These factors generally indicate that they require relatively few VR services, meaning lower costs to DVR and higher rates of successful employment

Retaining Employment: DVR also provides services to help people with disabilities keep their current employment. Over 400 people on the priority category 2 and 3 waiting lists are currently employed and it is safe to assume they need only a modest amount of support to keep their jobs.

Unfortunately, according to Employment Security data, 74 have already lost their jobs while waiting for services.

**Currently 73% of the DVR Wait List
Are Priority Category 2 and 3**

Growing Waiting Lists for Services

The cost and time required to serve priority category 1 individuals continues to decrease the number of priority category 2 and 3 individuals DVR can serve.

Federal funding levels are not keeping pace with the rising costs to provide VR services.

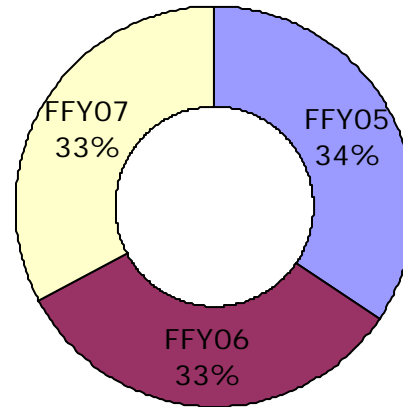
Solutions: General Fund State Dollars.

Currently, Federal funding levels are not keeping pace with the rising costs to provide VR services. This, and the cost required to serve Priority Category 1 individuals, decreases the numbers of priority category 2 and 3 individuals DVR can serve.

General fund state dollars will allow DVR to operate outside the federally determined waiting list and provide these Washington Citizens with much needed services. Without this funding, the majority of individuals in Priority Category 2 and 3 will never be served.

Projected Impact on DVR Caseloads

based on applications trends



4,994 (34%) in FY05
4,847 (33%) in FY06
4,847 (33%) in FY07

As of August 2004, there are 8,729 individuals on the waiting list for priority category 2 and 1,018 for priority category 3.

Benefits to Washington State:

Investing in the successful rehabilitation of people with disabilities can save the state and federal government public assistance dollars and in addition, contribute significantly to the tax base.

Nationally CSAVR (Council of State Administrators of Vocational Rehabilitation) reports that the millions of people who received help from the VR program in 2002 will:

- Earn \$3.5 billion in wages in their first year of work;
- Pay back the cost of their rehabilitation services, through taxes, in just 2 - 4 years;
- Benefit both Federal and State tax treasuries by \$2 - 4 in revenues for every VR dollar spent over subsequent years of work;
- Benefit themselves with \$10 in earnings for every VR dollar spent over their subsequent years of work;
- Benefit society by \$16 for every dollar spent on vocational rehabilitation services;
- Save the Federal Treasury or the Social Security Trust Fund \$5 for every dollar spent, totaling \$460 million savings in Federal FY 2003;
- Help to generate an estimated 60,000 jobs in the economy through \$3.5 billion in wages.

Contact

CHIEF OF OPERATIONS
Connée Bush, PhD
360.438.8013
BUSHC@dshs.wa.gov



The Division of Vocational Rehabilitation (DVR) provides employment services to individuals with disabilities.

Serving People with Mental Illness

A fundamental belief in all vocational rehabilitation programs is that people with mental illness can and will have a higher quality of life with greater opportunities if employment is readily available. Nationally, programs have struggled to place people with mental illness in successful employment, meeting with limited success.

The lack of VR MH specialists in the field, lack of funds in the mental health system for support services and treatment, and, the needs, expectations, fears and biases of many employers hinder people with mental illness from finding and keeping jobs. **21% of the population DVR Serves are People with Mental Illness.**

Federally Determined Waiting Lists.

DVR does not have sufficient resources to serve all eligible individuals who apply for services. When this occurs, as it did in FY 2001, the public VR program must establish an order for serving eligible individuals with disabilities and **must serve Priority Category 1, those with the most significant disabilities, first.**

As a result, DVR counselor caseloads primarily consist of individuals who face the greatest challenges to work, require a larger investment of resources, and on average, take longer to enter the workforce, **leaving no resources to serve other eligible individuals.**

By Definition Individuals in;

Priority category 1 have a physical or mental impairment that results in serious limitations in 4 or more functional areas, require substantial VR services over an extended period.

Priority category 2 physical or mental impairments, experience limitations in 1 or more functional areas, require multiple VR services.

Priority category 3 condition creating substantial impediments to employment, but do not meet

As of August 2004, there were 4,248 people with mental illness on the waiting list for Priority Categories 2 and 3. Many have been waiting for VR services since the division began serving people under the federally defined waiting list in November 2000. By 2006 the number will grow to 7,000.

With no other options for services, people lose motivation to work, become discouraged and often drop out of sight.

This means that thousands of Washington States' citizens with disabilities, eligible for VR services, find themselves disenfranchised and un-served.

Approximately 21% of the Population DVR Serves are People with Mental Illness

Serving People with Mental Illness

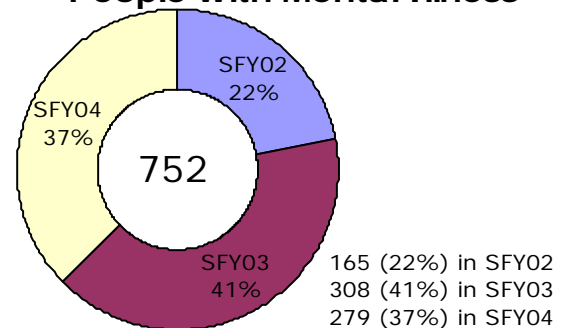
One employment model is showing particular promise for increasing employment opportunities for people with mental illness, while at the same time reducing emergency care and hospitalizations. This model is known as the **Fountain House Clubhouse Model** (or just Clubhouse model). In 2003, DVR began supporting the development and operation of two mental health clubhouses -- Rose House in Tacoma and Evergreen Club in Spokane. Through the DVR partnership with Clubhouses and other providers, **DVR helped place 308 individuals with mental illness in employment in 2003.**

The Club House Model

Club houses are located in local communities; offer a wide range of housing, educational, employment and social service programs; and offer a comprehensive array of options including:

- Provide ongoing supports to help people retain employment.
- Provide services to people DVR cannot serve because of waiting lists
- Address an individual's comprehensive needs to live and work in the community
- Offer peer support and access to specialists in mental health illness
- Work with employers to educate them about mental health issues

Successful Employment for People with Mental Illness



Solutions: General Fund State Dollars

Currently, Federal funding levels are not keeping pace with the rising costs to provide VR services. This, and the cost required to serve Priority Category 1 individuals, decreases the numbers of priority category 2 and 3 individuals DVR can serve.

General fund state dollars will allow DVR to operate outside the federally determined waiting list and other federal restrictions to provide these Washington State Citizens with much needed services. Without general fund state dollars DVR cannot continue supporting existing clubhouses, nor help start additional clubhouses.

Benefits to Washington State:

Successfully rehabilitating individuals with disabilities potentially saves the state and federal government public assistance dollars and in addition, contribute significantly to the tax base. Nationally it is reported by CSAVR (Council of State Administrators of Vocational Rehabilitation) that individuals who received help from the VR program in 2002 will:

- Earn \$3.5 billion in wages in their first year of work;
- Pay back the cost of their rehabilitation services, through taxes, in just 2 - 4 years;
- Benefit both Federal and State tax treasuries by \$2 - 4 in revenues for every VR dollar spent over subsequent years of work;
- Benefit themselves with \$10 in earnings for every VR dollar spent over their subsequent years of work;
- Benefit society by \$16 for every dollar spent on vocational rehabilitation services;
- Save the Federal Treasury or the Social Security Trust Fund \$5 for every dollar spent, totaling \$460 million savings in Federal FY 2003;
- Help to generate an estimated 60,000 jobs in the economy through \$3.5 billion in wages.

Contact

CHIEF OF OPERATIONS
Connee Bush, PhD
360.438.8013
BUSHC@dshs.wa.gov